

Treasury Management

A 5-year Strategic Battle Plan for Success

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Presentation Objectives

- ❖ Identify the components of a battle plan for Treasury Management success
- ❖ Identify “what will never change” in the realm of Treasury Management
- ❖ Identify “what is changing” in the realm of Treasury Management
- ❖ Identify “what will change” in the realm of Treasury Management
- ❖ Identify Specific Resources and Advice to be a best in class Treasury Professional

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Battle Plan for Success

- ❖ Define your mission statement which defines what success means to you
- ❖ Self Assessment in terms of performing a gap analysis between your current responsibilities and your skill set
- ❖ Define a strategy to “fill the gaps” and give yourself room to function at the next step up on your career ladder
- ❖ Define near term, medium term, and long term goals
- ❖ Identify what you see as the inherent barriers you face in achieving your goals and then assess which factors are “perceived” and which are real
- ❖ Define what you need in terms of network development and professional resources to meet and exceed your goals

Timeless Treasury Tasks

Cash Management

- ❖ Bank Account Management
- ❖ Visibility of Cash
- ❖ Movement of Funds (Control of Cash)
- ❖ Cash Forecasting
- ❖ Treasury Technology Management

Relationship Management

- ❖ Bank Relationships
- ❖ Treasury Services Vendor Relationships
- ❖ Investment Management Relationships
- ❖ Internal Relationships (Interdepartmental and Intradepartmental)

Professional Development

- ❖ Personal
- ❖ Your Staff

Cash Management Trends

Bank Account Management

- ❖ Electronic Bank Account Management (EBAM)
- ❖ Electronic Bank Account Analysis Statements (TWIST)

Visibility of Cash/Movement of Funds

- ❖ SWIFT connectivity and SWIFT Alliance Products
- ❖ ASP (SaaS) solutions

Cash Forecasting

- ❖ Incentivizing Forecasting Accuracy
- ❖ An Enterprise Approach

Treasury Technology Management

- ❖ Cloud Computing
- ❖ SaaS based Applications

Relationship Management Trends

Internal Relationships

❖ Intra-departmental

- More teamwork necessary
- Overworked colleagues require more support

❖ Inter-departmental

- More collaboration necessary
- Need to engage support and “*incentivize*” colleagues
- Formalize projects and sell to stakeholders
- Actively manage inherent barriers to successful cross-departmental projects by identifying those that “do not play well with each other” and mitigate potential conflicts

Professional Development Trends

Personal Professional Development

- ❖ An actively managed personal value proposition is a requirement for career success
- ❖ Passive professional development is no longer an option
- ❖ Development and maintenance on online brand that is BETTER than your peers
- ❖ Learning to leverage Social Media is critical
- ❖ Obtaining access to the professional resources you need to succeed with less support from your employer is key and requires creativity in accessing the people and tools you need to be successful

Professional Development Advice

Personnel Professional Development

- ❖ You need EVERY employee to be best in class
- ❖ Hire people that are smarter than you
- ❖ Provide your employees with the tools who are able to TEACH you
- ❖ Provide your employees with an environment that is conducive to their personal and professional success
- ❖ Know what makes your employees tick and mitigate negative changes in behavior at work as soon as it is noticed.

Emerging Treasury Tasks

- ❖ **Accounts Payable**
- ❖ **Accounts Receivable**
- ❖ **Risk Management**
- ❖ **Governance**
- ❖ **Compliance**
- ❖ **Investor Relations**
- ❖ **M&A**

Accounts Payable

- ❖ **A/P is “coming home” to Treasury to facilitate an enterprise approach to working capital management**
- ❖ **Global Purchase Cards**
- ❖ **Global Payroll Cards**
- ❖ **International ACH**
- ❖ **SEPA Initiatives**
- ❖ **Online Bill Payment**
- ❖ **Active Online Account Management with Suppliers**

Accounts Receivable

- ❖ **A/R is “coming home” to Treasury to facilitate an enterprise approach to working capital management**
- ❖ **Remittance Detail on Wire Transfers**
- ❖ **Electronic Payment Receipt Vehicles**
- ❖ **Strategic Interchange Fee Management**
- ❖ **RDC with a Mobile Phone**
- ❖ **Mobile E-commerce applications.**
According to Gartner, by 2012 3% of smart phone users will use it to make a purchase.

Risk Management

Insurance

- E&O Policies
- Global Property and Casualty Policies

FCPA Compliance

- New Regime at SEC

Counterparty Risk Management

- Measurement and Visibility
- Suppliers, customers, banks, and anyone to whom drives the bottom line

Enterprise Risk Management

- Financial Risk Management (Euro Crisis)
- Operational Risk Management (Cost and Revenue Drivers)
- Governance and Compliance

M&A & Investor Relations

M&A

- ❖ Competitive Business Intelligence
- ❖ Business valuation
- ❖ Due Diligence Management
- ❖ Acquisition Integration Management

Investor Relations

- ❖ Analyst Calls
- ❖ Analyst Relationships
- ❖ Annual Proxy

Treasury Tasks on the Horizon

- ❖ **Legal Risk Management**
- ❖ **Online Brand Management**
- ❖ **Reputation Risk Management**
- ❖ **IT Services Management**
- ❖ **Benefit Plan Management**

Resource Gap Analysis

Develop the gaps in the professional resources you currently have and need to meet and exceed your career expectations

- ❖ People- who do you need to “get on board”, do you need to re-deploy people or engage new internal or external people to get you where you want to be (and keep you there)
- ❖ Technology- systems you need to communicate better, do you need access to new software, upgrades, etc.
- ❖ Processes- what existing processes and procedures and policies do need to revise, do you need new ones with the adoption of new technology?

Inherent Barriers to Success

People

- ❖ Individuals who affect productivity and do not understand (or do not care)
- ❖ Lack of internal support from executives as to the importance of departmental goals and responsibilities
- ❖ People involved in processes that not “play nicely with each others” either interdepartmental as well as intradepartmental

Processes

- ❖ Processes that by their very design facilitate the reporting or recording of untimely or inaccurate data
- ❖ Processes that “compete” against each other instead of offering synergies.

Inherent Barriers to Success

Technology

- ❖ Systems that do not communicate effectively with each other
- ❖ Systems that facilitate more than “one version of the truth” in terms of data.
- ❖ Access to no system that allows direct collaboration between parties affecting forecasting accuracy
- ❖ Current technology does not meet data needs in terms of timeliness and accuracy

Finding the Resources YOU Need

Networking/connecting with peers who face (and have faced) the same challenges you face in your career

- ❖ Professional Associations
- ❖ LinkedIn
- ❖ Proformative
- ❖ Professional Seminars
- ❖ Leverage your treasury services providers to connect with their other clients and prospects

Professional Development Resources

- ❖ Free webinars from recruiters
- ❖ Professional Associations
- ❖ Proformative
- ❖ Job Boards
- ❖ LinkedIn Groups

Finding the Resources YOU Need

Technical/task related resources

- ❖ Professional Associations
- ❖ LinkedIn
- ❖ Proformative
- ❖ Professional Seminars and Webinars
- ❖ White Papers
- ❖ Leverage your treasury services providers to connect with their other clients and prospects

You need to ensure that you get ROI on each resource for which you allocate funds as there is growing trend towards free professional resources

Closing Thoughts

Treasury Management Success

- ❖ Create a Dynamic Battle Plan
- ❖ Identify your current, emerging, and future needs in terms of people, process, and technology
- ❖ Perform a gap analysis for each major area
- ❖ Devise a strategy for how to address each area
- ❖ Effective alignment of people, process, and technology in all areas of career management drive success

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***??Questions related to this presentation
or ideas for how to best serve treasury &
finance professionals??***

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